Saskatchewan
Communications
Network

ANNUAL REPORT

93-00064/

TABLE OF CONTENTS

Letter of Transmittal 2
Board of Directors 3
Message from the Chairman of the Board 4
Message from the President 4
Corporate Mandate 5
SCN Network Description 6
Organization Chart 6
Training Network 7
Signal Delivery System 8
Training Network Activity - 1991/92 9
K-12 Program 9
Multiplexing 10
Training Network Statistics 10
Native Educational Broadcasts 10
Training Network Receive Sites 11
Training Network Highlights 11
Business Applications 12
Business/Special Event Programming 12
Cable Network Launch 13
Programming Philosophy 13
Program Development ..... 14 - 15
Partners in Education 16
New Resources 16
Other Saskatchewan Productions 16
Viewers' Feedback 17
Educational Broadcasters 18
Programming from Outside Saskatchewan 18
New Directions 18
Responsibility for Financial Statements 19
Auditors' Report 20
Financial Statements ..... 21 - 26

LETTER OF TRANSMITTAL

Regina, Saskatchewan
July, 1992

To Her Honour
The Honourable Sylvia O. Fedoruk, O.C., S.O.M.
Lieutenant Governor of Saskatchewan

Your Honour:

I have the honour to submit the Annual Report of the Saskatchewan Communications Network (SCN) for the year ended March 31, 1992, including financial statements, in accordance with *The Communications Network Corporation Act*.

I have the honour to be,

Your obedient servant,

Carol Teichrob

Hon. Carol Teichrob
Minister Responsible for
Saskatchewan Communications Network (SCN)

SCN BOARD OF DIRECTORS
1991 - 92

Willie Grieve- Chairman
Saskatoon

Bill Bruce
President & CEO of SCN

Bruce Cameron
Saskatoon

Denise Dodds
Meadow Lake

John Empey
Estevan

Melvin Isnana
Fort Qu'Appelle

Gayle Robinson
Regina

Bunny Semenchuck
Regina

Lynn Short
Saskatoon

Ken Sopkow
Canora

Sorrel Steinberg
Regina

MESSAGE FROM THE CHAIRMAN OF THE BOARD

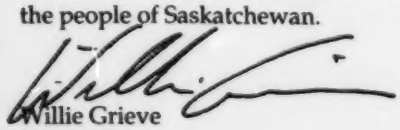
As Chairman of the Saskatchewan Communications Network (SCN) Board of Directors, I reflect proudly on a year of significant advances for the Corporation.

In keeping with our corporate mandate of providing equal access to information for all Saskatchewan residents, SCN's energetic team has built upon its ability to apply advanced technology for practical educational purposes. The Corporation's interactive satellite delivery network continues to grow and we are examining new and innovative ways to deliver more educational services to the people of the province. We were proud to premiere our Cable Network within three months of receipt of an educational broadcast license from the Canadian Radio-television and Telecommunications Commission (CRTC). We are encouraged by the positive response we have had to this service and we thank Saskatchewan's cable operators for their cooperation and assistance in launching this service.

SCN is guided by a corporate philosophy which stresses a cooperative approach to the delivery of educational services. The successful delivery of the Training Network services depends in large part on the contribution of the University of Saskatchewan, and the University of Regina, SIAST, the Regional Colleges and a number of High Schools, each of which develop and administer many of the courses offered. We are grateful for their continuing dedication to the provision of distance education services for Saskatchewan.

In addition, we are grateful for the help of Saskatchewan's creative and enthusiastic production community. Through their efforts we will continue to bring new Saskatchewan productions to our Cable Network viewers.

The Board of Directors looks forward to meeting the challenge of fulfilling its corporate mandate and, with the help of the many organizations and individuals who participate in SCN, delivering state-of-the-art cost effective distance education services to the people of Saskatchewan.



Willie Grieve
Chairman

MESSAGE FROM THE PRESIDENT

Throughout the past year, our Corporation has listened to and focused on meeting the information needs of Saskatchewan residents.

The launch of our Cable Network has been a significant accomplishment. Through it, we will provide Saskatchewan with a communications channel for public education. SCN builds strategic alliances and partnerships to foster the development of television-based resources designed to inform and educate.

The Training Network model has proven to be a viable and practical expansion of educational service to rural Saskatchewan. Expanded delivery of K-12 programming has meant further opportunities for students living in rural areas. We have seen the benefits of providing rural Saskatchewan with access to post-secondary and professional development opportunities within their own communities.

We acknowledge contributions of the province's Department of Education, post-secondary institutions, Regional Colleges, schools, other departments, organizations, the Sask. film and video production industry and all individual supporters. Together, we have built a Network, now attracting international attention.

My thanks to our dedicated Board of Directors and staff, who have been very flexible and have adapted quickly to meet the province's changing needs.

Bill Bruce
President and CEO

CORPORATE MANDATE

The mandate of the Saskatchewan Communications Network (SCN) is to provide equal access to information for all Saskatchewan residents.

In the process of fulfilling this mandate, SCN will develop telecommunications services which will promote:

- the timely distribution of educational and informational programming in subject areas relevant to Saskatchewan residents;
- the distribution of programming to centres in Saskatchewan, providing educational and training opportunities not previously available; and,
- the use of videoconferencing by businesses and organizations to train and update employees throughout the province.

In addition to increasing access to needed information and training, SCN will stimulate:

- Saskatchewan's technological industry through the provision of opportunities to design, manufacture, install and market its hardware;
- the film, video, music production and software industries.

To fulfill its objectives, SCN cooperates with numerous institutions and organizations in the province. These include educational institutions, Regional Colleges, government departments, crown corporations, private business and other agencies. Utilizing existing systems and resources wherever possible is a fundamental principle by which SCN operates.

SCN NETWORK DESCRIPTION

SCN

SCN Training Network

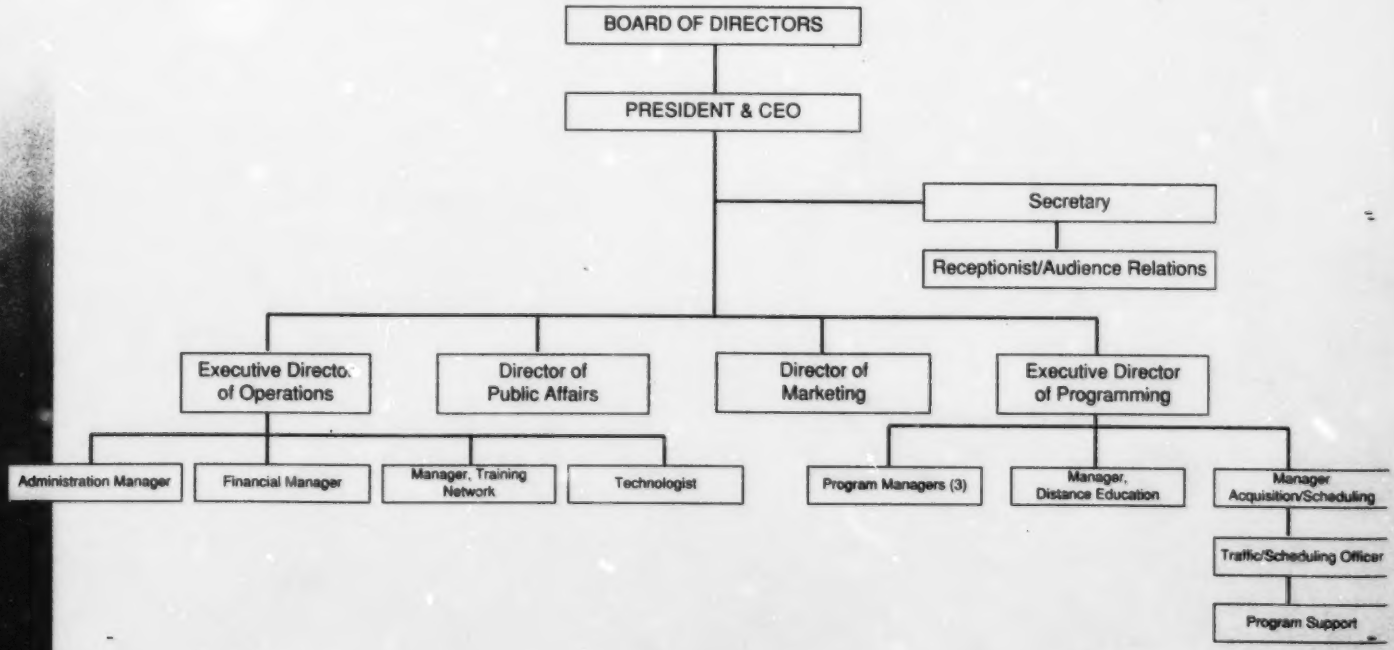
- one-way video, two-way audio
- more than 90 classrooms equipped throughout the province for distance education
- credit and career-oriented classes
- videoconferencing for businesses and other organizations
- point-to-multipoint delivery
- participatory learning

SCN Cable Network

- on-air through cable systems in the province
- serving over 200 communities
- Saskatchewan-based programs
- alternative quality programming
- formal curriculum-related programming
- informal, educational programming
- career and personal development
- cultural awareness
- programming for all age groups
- stimulates Saskatchewan's film and video production industry

- integrated programming for both Networks
- curriculum support for Saskatchewan students
- targeted audience programming
- providing equal access to information for all Saskatchewan residents

ORGANIZATION CHART



SCN TRAINING NETWORK

IMPROVING ACCESS TO TRAINING

The Saskatchewan Communications Network (SCN) bridges the gap between traditional educational methods and telecommunications-based education and training.

The Training Network enables adult learners to acquire skills training, professional upgrading and the foundation of a university degree in their own home community.

It is built upon a delivery system which integrates Saskatchewan's fiber optic system with satellite carriage to provide students with immediate access to an instructor's classroom from a distance.

Using this technology, the Training Network coordinates the delivery of programs from educational institutions, business and professional organizations. By combining advanced technology with quality teaching, the University of Regina, University of Saskatchewan, and Saskatchewan Institutes of Applied Science and Technology (SIAST), and some high schools, are able to extend their programs to receive sites across the province.

Regional Colleges manage SCN Centres in 54 communities and provide learner support and counselling for students. In addition, there are 18 high schools in the province, equipped to receive courses by satellite.

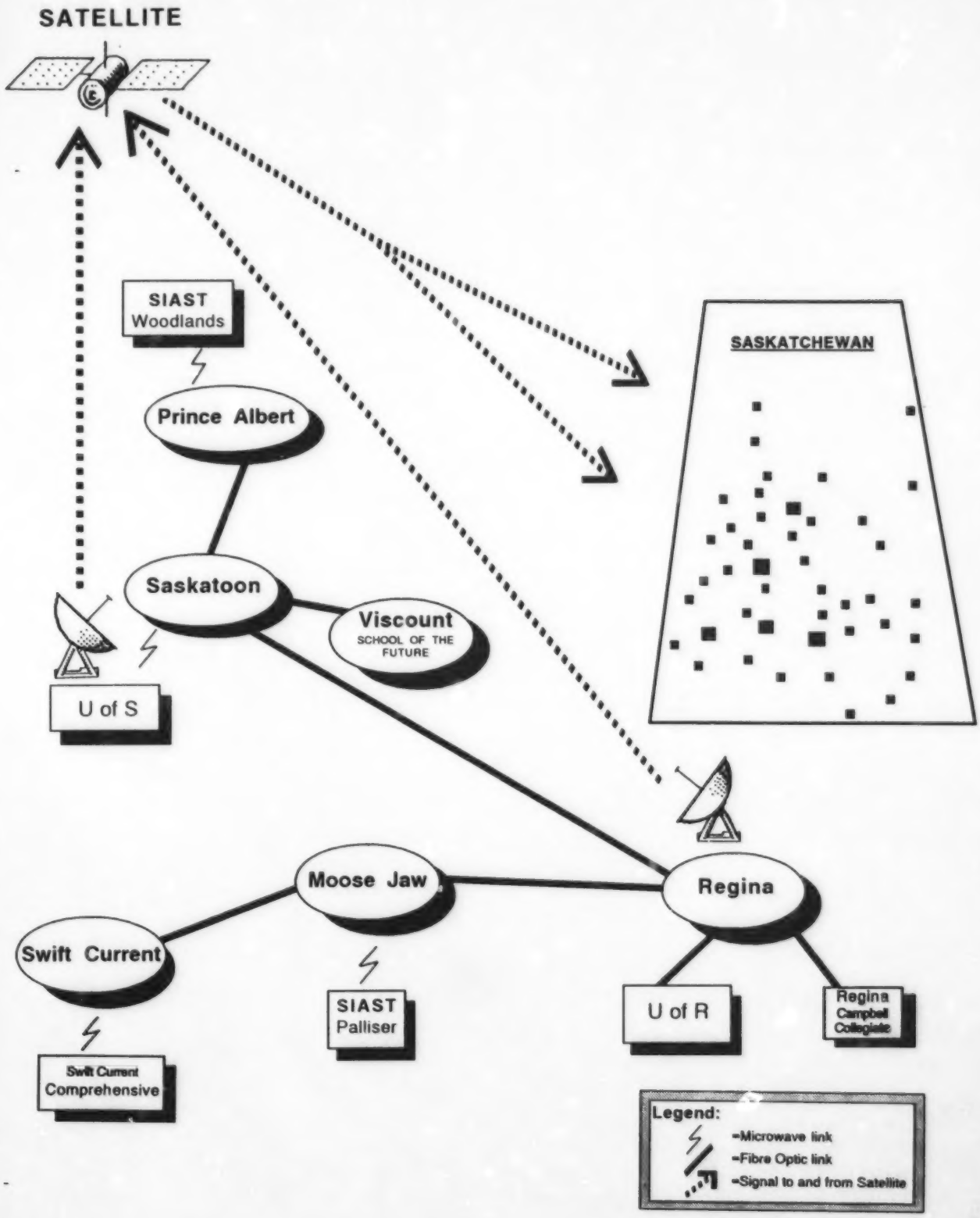
Receive sites are equipped with a KuBand satellite dish, satellite tuning receiver, decoder unit, television monitor, video cassette recorder, telephone and facsimile machine. In high demand centres, duplicate rooms have been installed allowing for two classes to be received simultaneously.

Studies indicate that students participating in this form of distance education achieve equally as well as students on-campus.

The development of the SCN Training Network is proceeding on schedule. The 1991/92 academic year demonstrates the capability of the University of Regina and University of Saskatchewan to offer the first two years of a general arts degree at a distance. SIAST is offering a range of business administration diploma courses, and courses in health care and food services.

The continuing success of the SCN Training Network is the result of collaborative efforts between SCN, educational institutions, Regional Colleges and many other organizations throughout the province. Together, people are provided with continued opportunities for education and training in their communities.

SIGNAL DELIVERY SYSTEM



TRAINING NETWORK ACTIVITY - 1991/92

Programmer	Course	Registrants	SCN Scheduled Hours
U of R	Indian Studies 102	75	-
	French 100	85	56
	Economics 101	57	49
	Computer Science 101	76	77
	French 101	52	60
	Geography 100	47	45
	Indian Studies 103	29	-
Total	**7 programs**	**421**	**287**
U of S	Anthropology 111-3/112-3	16	58
	Math 104-6	50	87
	English 110-6	242	87
	History 112-6	130	87
	Psychology 110-6	51	116
	Certificate in Agriculture	337	18
	Native Studies 110-6	147	72.5
Total	**8 programs**	**973**	**525.5**
SIAST			
Palliser	Communications 10.14	50	42
Palliser	Accounting 10.15D	164	42
Kelsey	Nutrition	100	66
Kelsey	Special Needs	391	66
Wascana	Geron Nursing	29	36
Palliser	Marketing	72	36
Palliser	Org. Beh. 10.14D	50	42
Palliser	Accounting 10.25D	72	45
Kelsey	Sanitation and Safety	250	27.5
Palliser	Communications 10.24	29	45
Woodland	Chemical Dependency	40	52.5
Total	**11 programs**	**1247**	**500**
K-12 Programs			
Viscount			
	French 9	37	78
	French 10	39	78
Campbell			
	Algebra 20	31	109.2
	Algebra 30	42	109.2
	Calculus 30	19	109.2
Correspondence			
	French 9	41	11.33
Total	**6 programs**	**209**	**494.93**
GRAND TOTAL	**32 Programs**	**2850**	**1807.43**

"The possibilities for SCN to make a positive significant change in rural Saskatchewan are real. Frankly, I believe the opportunities presented by SCN will greatly enhance program opportunities for students in rural Saskatchewan. In fact, without SCN involvement, rural Saskatchewan students will be denied beneficial and required program options."
- O.D. Reiman, Director of Education (to Dec. 1991) Lanigan School Division No. 40

K-12 PROGRAM

During 1991/92, SCN also delivered a range of live, interactive, televised secondary school courses to small, rural high schools from the provincial Correspondence School , Campbell Collegiate in Regina, and Viscount's School of the Future. These courses allow rural schools to integrate distance education methodologies with traditional classroom practice, expanding the opportunities and instructional resources for their students.

In each course, a master teacher provides instruction to his or her own on-site class with scheduled live, interactive sessions with the remote classes. Students at a distance view the class on a television monitor and can communicate with the teacher via telephone and facsimile machine. Facilitating teachers at the receive sites act as a resource person and guide for students, as well as a liaison with the instructing teacher. Assignments are marked, returned and discussed with the students in remote areas, at the same rate as in a traditional face-to-face classroom.

In 1991/92, courses, reflecting approximately 500 hours of K-12 programming, were transmitted by satellite to 15 schools in rural communities.

PIONEERING NEW TECHNOLOGIES

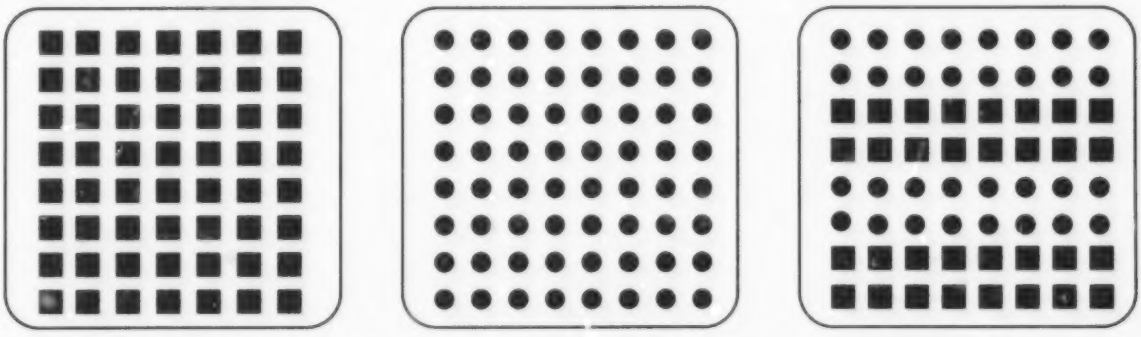
MULTIPLEXING

In order to expand the number of programming hours within the funding available, the Corporation became the first broadcaster in Canada to mutiplex satellite signals. The technology introduced has the unique capacity to combine two video signals over the same satellite band width. Decoder units at each receive point separate the two signals. Decoders at SCN Centres are programmed to capture and process a pre-determined signal. For example, remote classrooms designated to receive the English class would receive the signal from the U. of S., while classrooms where Geography students are registered would receive, at the same time, the University of Regina signal. SCN has also provided decoders to cable companies for reconstructing SCN's Cable Network.

This year represented the first year of full operation of this multiplexing system. The cost savings of utilizing this system have exceeded the initial capital cost of installation.

SCN will continue to monitor and utilize new developments in technology which can enhance the efficiency and effectiveness of operation.

Multiplexed Signal



SIGNAL A + SIGNAL B = SIGNAL A + B

STATISTICS

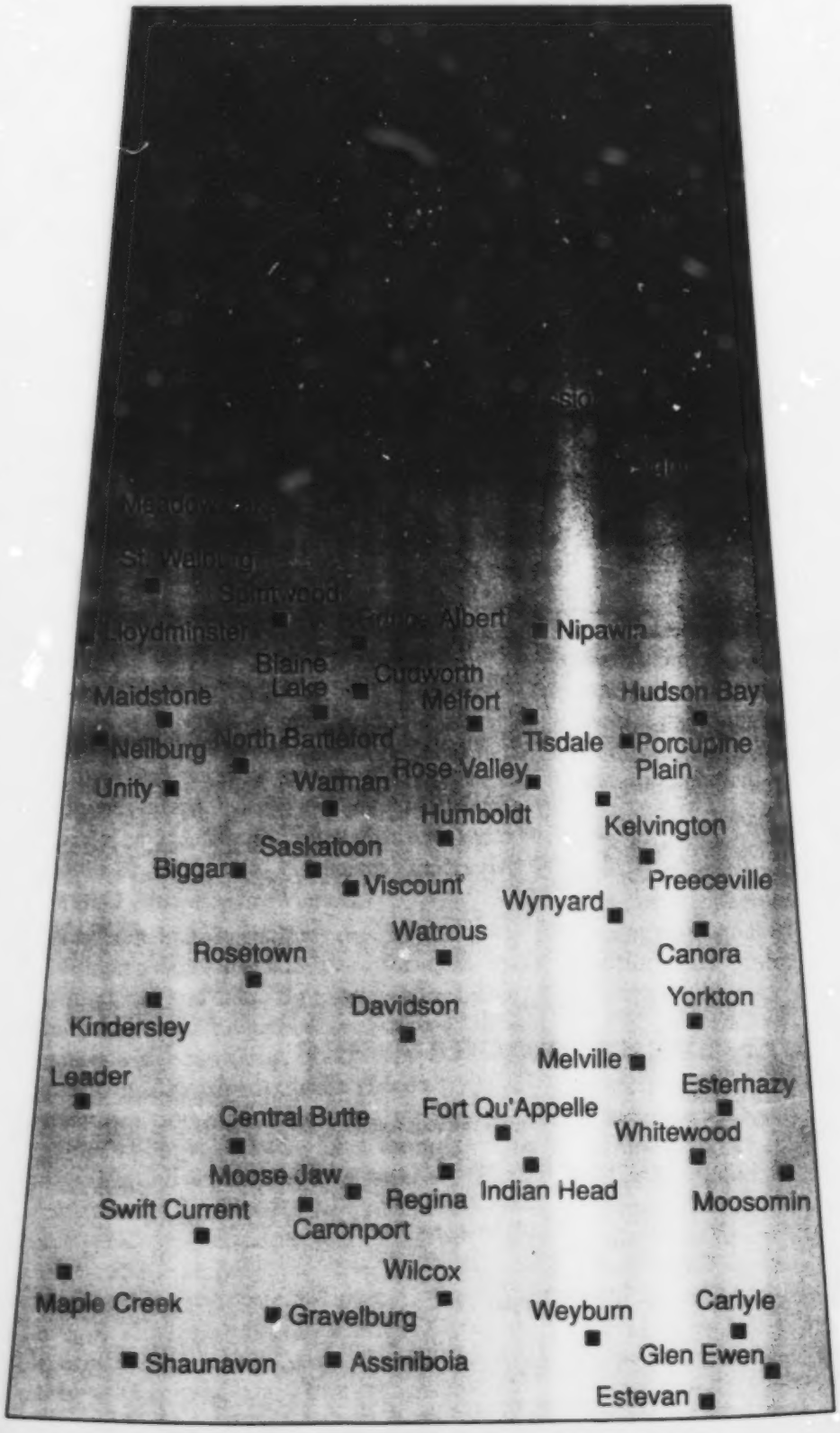
	1989/90	1990/91	1991/92
Receive sites for credit course delivery to communities	35	68	95 *
Scheduled programming hours on Training Network (including special events)	617	1249	1837

* Includes duplicate classrooms

NATIVE EDUCATIONAL BROADCASTS

In conjunction with Directors of Native Education and Saskatchewan Indian Cultural Centre, SCN is currently exploring ways of meeting the distance education needs of natives within the province.

TRAINING NETWORK RECEIVE SITES



Some sites have duplicate rooms to receive two classes simultaneously.

TRAINING NETWORK HIGHLIGHTS:

- SCN's Training Network is quickly gaining international recognition with its distance education delivery model. In May, 1992, SCN, in conjunction with the University of Saskatchewan, will demonstrate its delivery model to an international audience within the Canadian Association of Distance Education Conference, coordinated by Telesat Canada.
- SCN's contribution to the development of distance education has also been recognized by requests for presentations at the Pacific Telecommunications Council annual conferences.
- In 1991/92, SCN continued to improve its delivery capacity. These improvements were accomplished through the intensification of local training efforts and the continued improvement of technological hardware. Less than four percent of all SCN programming transmissions encountered any difficulties - which were corrected in an average of less than 6 minutes of programming time.
- SCN continues to build the largest and most advanced interactive satellite delivery network in Canada. New centres added to the Training Network in 1991/92 included: Porcupine Plain, Rose Valley and Blaine Lake.

BUSINESS APPLICATIONS

Training has become a vital necessity for the economic community. Economic competitiveness is impossible without a workforce which is able to adapt to the changing needs of the market place. Many companies, government departments and nonprofit associations are examining new and cost-effective ways of providing timely information to their employees, members or clients. The Saskatchewan Communications Network has been able to provide such an option to them through the Training Network.

In a recent cost comparison it was demonstrated that the one-way video, two-way audio format of the Training Network can deliver a program for less than one-half the cost of a traditional face-to-face meeting for large groups. The SCN Training Network decreases travel costs and increases the productive time available to participants. Studies undertaken by SIAST and the University of Saskatchewan indicate that effective learning and information flow also occur when using this system.

In 1991/92, SCN began to promote this system to Saskatchewan organizations. Organizations who have tried this communications method have become repeat users. As an example, the Saskatchewan Alcohol and Drug Abuse Commission now regularly trains counsellors over the SCN Training Network. The Canadian Bar Association utilized this system of information for the first time in 1991/92 and has scheduled another program for 1992/93.

SCN is committed to promoting the distribution of all types of information and training to Saskatchewan residents. The promotion and use of the SCN Training Network for organizations outside of credit education is another way in which SCN will assist in meeting the learning needs of the province.

" SCN provided the ideal medium to provide information and education to over 300 (Saskatchewan Union of Nurses) participants. The network provided for a two way sharing of information between the Union and its members. We intend to utilize SCN for future educational programs for the Union."

- Sask. Union of Nurses

" The Saskatchewan Alcohol and Drug Abuse Commission (SADAC) has already used the SCN system to televise special training programs for professionals working in the addiction fields...
The response in the North has been particularly gratifying. New publics have been brought to SADAC training programs. It has also saved travel time and money by training in the participant's community."

Danni Boyd, Executive Director
- SADAC

BUSINESS/SPECIAL EVENT PROGRAMMING

		Participants
Seniors	Our Common Future 8 programs	439
Canadian Bar Association		96
U of S Ag. Representatives	2 programs	208
Sask. Alcohol and Drug Abuse Commission		192
Rural Development		161
Sask. Assoc. of Lifelong Learning		204
Total		**1,300**

CABLE NETWORK

SCN LAUNCHES EDUCATIONAL TELEVISION NETWORK

SCN received its educational broadcast license from the Canadian Radio-television and Telecommunications Commission (CRTC) in February, 1991. The educational television network was launched on May 6, 1991. Operating from the principle of utilizing existing facilities whenever possible, SCN contracts for its broadcast services, with the University of Saskatchewan's Division of Audio Visual Services. The signal is transmitted by satellite to cable companies throughout the province.

SCN's broadcast day was established as 2:30 to 10 p.m. and expanded to 11 p.m. in January, 1992.

SCN's broadcast services from the University of Saskatchewan.

PROGRAMMING PHILOSOPHY

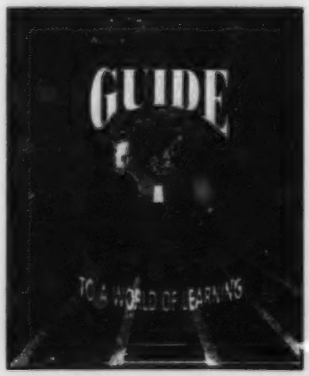
"Bringing a world of learning to you" was the theme developed to capture the intent of the network for its first full season. The primary objective of the Cable Network is to provide Saskatchewan with a communications channel for public education. SCN's programming department coordinates resources and facilitates the development and acquisition of programs which reflect the needs of a diverse audience.

SCN's Cable Network utilizes the medium of television to develop and deliver educational, informational and cultural programs to enhance human and economic resources. Strategic alliances with educational institutions, government departments, professional associations, non-profit organizations and the province's film and video industry ensure production and acquisition of relevant programming. These partnerships facilitate public education and access to a variety of learning opportunities.

The typical adult is an active learner. The Cable Network delivers a broad range of learning resources - as close as one's own living room. Leisure time activities may be enriched with programs designed to teach the viewer how to draw, paint, sew and build kitchen cabinets. Practical career and personal development skills include programs on computer literacy, car maintenance, calculus, beekeeping, business management skills and career options.

There are programs that stimulate thought, discussion, and positive action concerning social issues that influence our lives: human rights, racism, aboriginal issues, agriculture, the environment, health, science and technology and women in society.

Other programs are intended to develop awareness and appreciation of the cultural diversity of our province and country; the music, dance, painting and drama that reflect our heritage. SCN provides a vital link between information providers and the public.



PARTNERS IN PROGRAM DEVELOPMENT

SCN builds strategic alliances with many organizations and institutions in the province. These partnerships foster the development of television-based resources designed to inform and to educate. The following production profiles reflect the nature of some of these alliances.

STORIES OF THE ROAD ALLOWANCE PEOPLE

This series seeks to preserve the oral tradition of our native people. The support of SCN, the Saskatchewan Indian Federated College, Gabriel Dumont Institute, and the University of Saskatchewan's department of Native Studies provided the impetus for Maria Campbell, a Saskatchewan Metis writer, and Halfbreed Productions to bring these stories and a part of our Saskatchewan history to light.

WITH THESE HANDS

SCN facilitated the collaborative efforts of Saskatchewan Education, the Saskatchewan Crafts Council, and Regina's Reel Eye Media to create a five-part series of programs which reflects the creative diversity of the Saskatchewan crafts industry. This series provides a valuable contribution to our province's arts curriculum.

GOOD MEDICINE

The incidence of misuse of both prescription and over-the counter medicines by older adults in Saskatchewan has become a problem. SCN worked with Saskatchewan Health, the Saskatchewan Prescription Drug Plan, and Minds Eye Pictures to develop a program designed to illustrate the safe and proper use of medicines.

NEVER TREATED FAIRLY

Racism is an issue of concern in Saskatchewan. The Saskatchewan Human Rights Commission approached SCN for help in increasing public awareness of the problem. Spectra Video Services was contracted to produce a series of wraparound segments for existing programs. These programs address the issue and place it in a Saskatchewan context. SCN funded and supervised the production of the series.

WHO SOLD THE FARM?

Limited knowledge of current farming issues in Canada creates misconceptions about farming practices and problems. SCN linked with Saskatchewan Economic Development and Trade and the Agriculture Development and Diversification Secretariat to collaborate with others in the production of a series of eight half-hour programs that gets at the heart of farming on the prairies.
Produced by Northern Lights Productions

SEE WHAT YOU WANNA SEE

The large number of single parents in Saskatchewan struggling to raise their children either on welfare or student loans is an issue needing public attention. With the hope of providing a stimulus for policy change, Minds Eye Pictures, with the involvement of Saskatchewan Social Services, the SIAST Bridging Program and the University of Regina Faculty of Social Work, among others, came to SCN with a proposal for this program. "See What You Wanna See" was the result. The program profiles single parents and their attempts to provide for their families while creating acceptable lifestyles for themselves.

EVERYONE'S BUSINESS

Mental illness is a misunderstood health problem in Saskatchewan. The Saskatchewan branch of the Canadian Mental Health Association collaborated with Birdsong Communications and SCN to create programs to heighten awareness of the nature of mental illness.

LITTLE DROPS OF WATER: DRYLAND GARDENING

Saskatchewan's shortage of moisture is the incentive for projects which propose ways of conserving water while maintaining quality of life. The dryland gardening series is one such project, conceived initially in discussions between SCN and the University of Saskatchewan's Division of Extension and Community Relations. SCN facilitated contact between the producer, Minds Eye Pictures, and the U. of S. With the additional involvement of the Saskatchewan Water Corporation and the City of Regina, a pilot program is currently in production.

NOT MY PROBLEM

A little-known issue particular to the deaf and hard-of-hearing community in Saskatchewan is the incidence of alcohol and drug-related difficulties in family and other relationships. Saskatchewan Deaf and Hard of Hearing Services obtained a grant from Health and Welfare Canada to produce a television program dealing with the problem. SCN contributed funding to the project and facilitated the involvement of SIAST. SIAST will use the program in its classes.
Producer: Birdsong Communications

WORK SAFE

The high incidence of accidents on the job is the concern of the provincial government's Occupational Health and Safety group, which approached SCN for help in developing a program to educate workers in the area of on-the-job safety. SCN lent expertise to the tendering process, supervised production and contributed the major portion of the budget.
Producer: Birdsong Communications

EXPRESSIONS: VISUAL ART AND ARTISTS

With the implementation of Saskatchewan's new arts curriculum, Saskatchewan Education saw a need for appropriate video resources for use in the classroom. At the same time, SCN saw an opportunity for a series of general interest programs on visual artists working in the province. By working closely with Saskatchewan Education, Saskatoon's Shadowland Moving Pictures and an advisory board drawn from the Mendel, Dunlop and Photographer's Galleries, a series of five half-hour programs were produced which are designed for classroom use, and yet are of interest to the public.

PATHS TO EXCELLENCE

Saskatoon's Garth Murphy, along with the Saskatchewan Research Council, faculties of Engineering at the Universities of Regina and Saskatchewan, SIAST, the Saskatchewan Wheat Pool, the Association of Professional Engineers of Saskatchewan, and the Saskatchewan Applied Science Technologists and Technicians is developing a series, "The Path to Excellence." The series will promote technology industries in Saskatchewan and the need for young people to study math and science for future employment enhancement.

PARTNERS IN EDUCATION

SCN works closely with the Curriculum and Instruction Division of Saskatchewan Education, the University of Regina, the University of Saskatchewan, and the Saskatchewan Institute of Applied Science and Technology (SIAST) in evaluating and acquiring learning resources to support the Kindergarten to Grade 12 (K-12) curriculum and post-secondary courses.

Hundreds of hours of programming are screened and evaluated by SCN, Saskatchewan Education, and the post-secondary institutions. Programs deemed to have a curriculum "fit" form the core of the network's formal education programming. Broadcast rights (permission to air the programs on SCN) and duplication rights (permission to copy programs for classroom and instructional use) are acquired. This year, SCN contributed 249 hours of programming to formal education.

SCN is committed to providing network time to deliver programming for K-12 directly to the teacher's classroom. A recent survey by Saskatchewan Education indicated that a large percentage of teachers use the telecast live in classrooms. Teachers are also using the duplication service, to copy programs for classroom use, in ever increasing numbers. Further Cable Network time is dedicated to post-secondary programs to support independent study courses and courses delivered on SCN's Training Network.

DEVELOPMENT OF NEW RESOURCES

Where specific needs are not addressed by existing inventory, SCN coordinates and facilitates the development of new resources. Saskatchewan Education, SCN, independent producers, and other partners collaborate to produce programming designed around curriculum. Producers are encouraged to use personnel from Saskatchewan Education and the post-secondary institutions as content experts.

A good example of this partnership is the environmental series "It Starts At Home." The cooperative venture of Minds Eye Pictures, SCN, and Saskatchewan Education was enhanced by the content expertise of the University of Regina's Extension Department to produce the 13-part half-hour series. SCN's Public Affairs Department coordinated a province-wide school tour by the program host. It was received enthusiastically by students and teachers in the 28 schools involved.

Hosts - It Starts At Home series.

OTHER SASKATCHEWAN PRODUCTIONS

SCN has been involved in more than 60 productions made in Saskatchewan. Here is a sample:

- Approach to a Sacred Place (Film Crew Productions)
  The life and art of Saskatchewan painter, Otto Rogers;
- Plant Gods (Minds Eye Pictures)
  Plant genetic engineering; pros and cons;
- One in a Million (Grasslands Productions)
  Profiles of Saskatchewan people with unique lifestyles;
- Fear on the Farm (Birdsong Communications)
  Spousal violence in rural Saskatchewan;
- Life and Legend of Peter Rupchan (Judith Silverthorne/Grasslands Productions)
  Life of pioneering Saskatchewan potter and Ukrainian immigrant, Peter Rupchan;
- Western Canadian Filmmakers (Asphalt Productions)
  Today's independent and experimental filmmakers;
- Meeting of Two Worlds (CKCK Television)
  Chinese and Saskatchewan children sharing their cultures;
- Home Place (Waterhen Productions)
  An ecologist's view of preservation of the planet.

VIEWERS' FEEDBACK

SCN is committed to listening and responding to the needs of its audience. Here's what some of our viewers have said about our Cable Network:

"My wife and I were very glad when our local cable company brought in SCN as one of our channels. We find your programs interesting and entertaining.
Viewer, Arcola

"We find the quality of your programs to be excellent."
Viewer, Saskatoon

"Excellent programming. My TV does not leave SCN."
Viewer, Yorkton

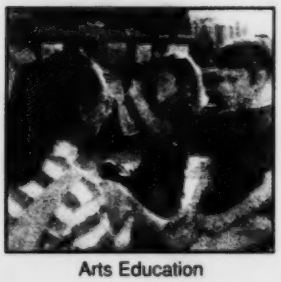
SCN publishes regular program guides to keep viewers informed about the scheduled programs. Here are some examples of programs/series scheduled during the Cable Network's premiere year.

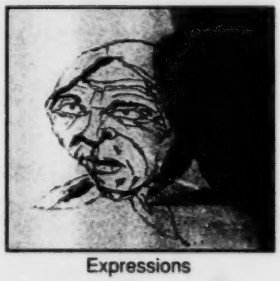
One in a Millicn

One in a Million
"It's a real pleasure to watch your programming. We need more local TV so Canadians can learn more about their province and country."
Viewer, Saskatoon

Commodity Futures Magazine

Commodity Futures Magazine
"I have been looking for a business program which stresses technical analysis of the markets for some time and this show fits the bill perfectly."
Viewer, Weyburn


Arts Education

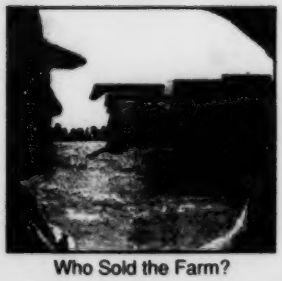

Expressions

Teacher Comments

"I feel that if you are not using SCN productions in the classroom, you are missing a great opportunity to enrich your students' learning."
Teacher, Regina

"It is important to have media support for our curriculum."
Teacher, Swift Current

"I use your programs as much as possible to reinforce curriculum."
Teacher, Regina


Who Sold the Farm?

Through Eyes of a Writer

PARTNERS WITH OTHER EDUCATIONAL BROADCASTERS

With the launch of SCN's educational television network, Saskatchewan joined an impressive group of educational broadcasters across Canada. The Association for Tele-Education in Canada (ATEC) includes membership from B.C.'s Open Learning Agency/Knowledge Network; Alberta's ACCESS Network; TV Ontario; Radio Quebec and TV Northern Canada.

ATEC was formed in 1974 to promote and advance the interprovincial, national and international interests of its members in educational telecommunications and to establish relations with similar groups.

Saskatchewan benefits from this alliance by participating in the development of Canadian programming with a national and regional scope. Collectively, ATEC pools its resources to acquire programming of national interest. ATEC reviews proposals submitted by independent producers across the country.

PROGRAMMING FROM OUTSIDE SASKATCHEWAN

To keep Saskatchewan viewers in touch with the rest of Canada and the world at large, SCN acquires existing programs and pre-licensed productions-in-progress from sources outside the province. These negotiations brought to Saskatchewan such first-class educational programming as "Race to Save the Planet," "The Light Gourmet," "Visions," "National Geographic," and more.

NEW DIRECTIONS

It has been an exciting first year "on-air." With an inventory of quality programs and proven capacity for facilitating top quality original productions, SCN's educational television network is looking to the future and exploring new ways of enhancing its service to the residents of Saskatchewan.

SCN is working with a variety of professional organizations and agencies to further develop the network as a communications channel for public education. Saskatchewan's human resources - experts in a variety of fields - will be brought to SCN's viewers. Viewers will be encouraged to actively participate in these programs. The programs will be live, interactive, participatory learning experiences where viewers can seek information, identify resources, and enhance their knowledge of a range of topics.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

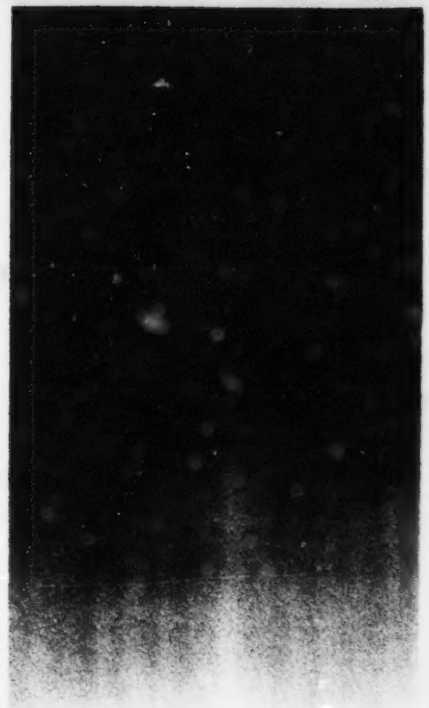
The financial statements of Saskatchewan Communications Network Corporation (SCN) have been prepared by the management of SCN in conformity with accounting principles generally accepted in Canada. The financial statements have been examined and approved by the Board of Directors of SCN. The independent auditors have performed an audit of SCN which has enabled them to express their opinion on the financial statements of SCN. This opinion is shown on page 20.

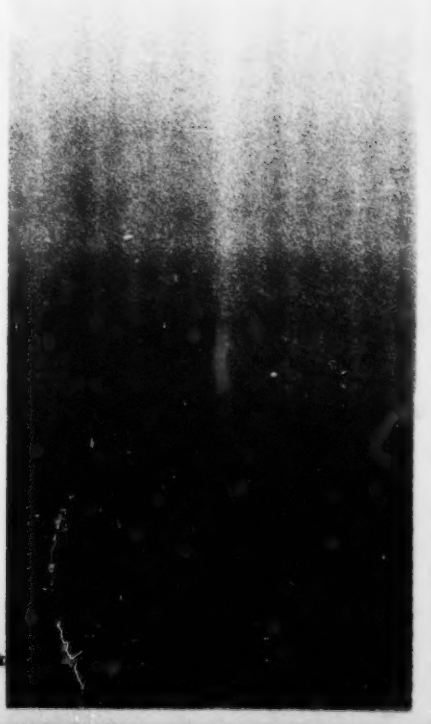
Preparation of financial information is an integral part of management's broader responsibilities for the ongoing operations of SCN. Management is responsible for the system of internal accounting controls to ensure that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements.

An Audit Committee, composed of members of the Board of Directors of SCN, meets periodically with management and the independent auditors. These independent auditors have free access to this Committee, without management present, to discuss the results of their audit work and their opinion on the adequacy of internal financial controls and the quality of financial reporting.

W. Bruce

Bill Bruce
President and CEO





AUDITORS' REPORT

May 13, 1992

AUDITORS' REPORT TO THE MEMBERS OF THE LEGISLATIVE ASSEMBLY PROVINCE OF SASKATCHEWAN

We have audited the balance sheets of Saskatchewan Communications Network Corporation as at March 31, 1992 and 1991 and the statements of reserve and equity in fixed assets, revenue, expenditures and operating equity, and changes in financial position for the years then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 1992 and 1991 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles.

Coopers & Lybrand

CHARTERED ACCOUNTANTS
Regina, Canada

SASKATCHEWAN COMMUNICATIONS NETWORK CORPORATION

BALANCE SHEET AS AT MARCH 31, 1992 AND 1991

ASSETS

	1992 $	1991 $
Current Assets		
Cash and short-term investments	1,468,340	3,660,885
Accounts receivable and accrued interest	20,875	66,178
Grants receivable **(note 7)**	4,550,000	2,387,903
Prepaid expenses	17,983	22,114
Inventory	127,697	254,690
Current portion of net investment in leases **(note 3)**	10,988	7,487
	6,195,883	6,399,257
Long-term Grants Receivable **(note 7)**	1,251,595	—
Net Investment In Leases **(note 3)**	21,362	20,894
Fixed Assets **(note 4)**	768,221	1,106,367
	8,237,061	7,526,518

LIABILITIES

Current Liabilities		
Accounts payable and accrued liabilities	148,762	189,599

EQUITY

Reserve for commitments **(note 5)**	—	6,230,552
Equity in fixed assets	768,221	1,106,367
Operating equity **(note 5)**	7,320,078	—
	8,088,299	7,336,919
	8,237,061	7,526,518

Signed on behalf of the Board

Director

Director

STATEMENT OF RESERVE AND EQUITY IN FIXED ASSETS FOR THE YEARS ENDED MARCH 31, 1992 AND 1991

RESERVE FOR COMMITMENTS

	1992 $	1991 $
BALANCE - BEGINNING OF YEAR	6,230,552	3,607,246
Allocation (to) from operating equity (note 5)	(6,230,552)	2,623,306
BALANCE - END OF YEAR	—	6,230,552

EQUITY IN FIXED ASSETS

BALANCE - BEGINNING OF YEAR	1,106,367	716,788
Allocation (to) from operating equity	(338,146)	389,579
BALANCE - END OF YEAR	768,221	1,106,367

SASKATCHEWAN COMMUNICATIONS NETWORK CORPORATION

STATEMENT OF REVENUE, EXPENDITURES AND OPERATING EQUITY FOR THE YEARS ENDED MARCH 31, 1992 AND 1991

	1992 $	1991 $
REVENUE		
Grant - Province of Saskatchewan	2,600,000	3,000,000
Grant - Government of Canada **(note 7)**	7,526,941	6,224,653
Interest	330,014	462,938
Miscellaneous	20,714	116,894
	10,477,669	9,804,485
EXPENDITURES		
Administration **(note 8)**	858,167	837,747
Program support	464,733	415,400
Program development and production costs	1,617,931	1,634,340
Program acquisition costs	2,366,339	1,530,081
Network distribution **(note 8)**	4,419,119	2,374,032
	9,726,289	6,791,600
NET REVENUE FOR THE YEAR	751,380	3,012,885
OPERATING EQUITY - BEGINNING OF YEAR	—	—
Allocation from (to) reserve for commitments **(note 5)**	6,230,552	(2,623,306)
Allocation from (to) equity in fixed assets, net of depreciation	338,146	(389,579)
OPERATING EQUITY - END OF YEAR	7,320,078	—

STATEMENT OF CHANGES IN FINANCIAL POSITION FOR THE YEARS ENDED MARCH 31, 1992 AND 1991

	1992 $	1991 $
OPERATING ACTIVITIES		
Net revenue for the year	751,380	3,012,885
Item not affecting cash - Depreciation	411,718	597,759
	1,163,098	3,610,644
Net increase in non-cash working capital balances related to operations	(2,026,507)	(1,279,563)
	(863,409)	2,331,081
INVESTING ACTIVITIES		
Increase in long-term grants receivable	(1,251,595)	—
Increase in investment in leases	(3,969)	(28,381)
Purchase of fixed assets	(73,572)	(987,338)
	(1,329,136)	(1,015,719)
(Decrease) increase in cash and cash equivalents	(2,192,545)	1,315,362
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	3,660,885	2,345,523
CASH AND CASH EQUIVALENTS - END OF YEAR	1,468,340	3,660,885
Cash and cash equivalents consist of:		
Treasury bills	996,090	4,358,973
Bank balances	1,444,515	570,481
Less outstanding cheques	(972,265)	(1,268,569)
CASH AND CASH EQUIVALENTS - END OF YEAR	1,468,340	3,660,885

SASKATCHEWAN COMMUNICATIONS NETWORK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED MARCH 31, 1992 AND 1991

1. STATUS OF CORPORATION

Saskatchewan Communications Advanced Network Authority (SCAN) was established by an order in council January 11, 1989 under the Crown Corporations Act, 1978. SCAN was continued as Saskatchewan Communications Network Corporation (SCN) under the Communications Network Corporation Act, 1990.

The Corporation operates a training network, which electronically links communities throughout Saskatchewan, and a cable network, which began broadcasting on May 6, 1991.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Program acquisition and production

Program acquisition and production costs are expensed as incurred.

b) Fixed assets

Fixed assets are recorded at cost less accumulated depreciation. Depreciation is calculated using the declining balance method as follows:

Office equipment and furniture	30%
Uplink development and network configuration and multiplexing system	30%
Computer hardware	40%
TVs, VCRs, satellite dish and video equipment receivers	40%
Fax machines and audio conferencing unit	50%
Computer software	60%

c) Inventory

Inventory consisting of blank video tapes and decoders is recorded at the lower of cost determined on a first in first out basis, and net realizable value.

d) Leases

Equipment leases are accounted for using the direct-financing lease method. Under this method, the asset is recorded as an investment in the lease. Net investment in leases is comprised of net minimum lease payments less unearned income. Unearned income is taken into income to produce a constant rate of return on the investment in the lease.

e) Government transfers

Government grants are recognized as revenues in the period that the events giving rise to the transfer occur.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED MARCH 31, 1992 AND 1991

3. NET INVESTMENT IN LEASES

The corporation, as lessor, has lease agreements with school divisions for a term of five years on telecommunications equipment. The corporation's net investment in leases includes the following:

	1992	1991
	$	$
Total lease payments receivable	56,452	41,040
Less: Unearned income	24,102	12,659
	32,350	28,381
Current portion of net investment in leases	10,988	7,487
Net investment in leases	21,362	20,894

4. FIXED ASSETS

The components of the fixed assets as well as the related accumulated depreciation are as follows:

	1992			1991
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
	$	$	$	$
Office equipment and furniture	122,782	65,276	57,506	75,118
Uplink development and network configuration	1,077,073	636,346	440,727	624,019
Computer hardware	188,485	142,637	45,848	74,744
TVs, VCR, and satellite receiver	552,407	366,160	186,247	275,347
Fax machines and conferencing unit	162,739	135,978	26,761	41,945
Computer software	93,760	82,628	11,132	15,194
	2,197,246	1,429,025	768,221	1,106,367

5. RESERVE FOR COMMITMENTS

The reserve for commitments was established for existing and future commitments in the process of building the training, cable and data networks and the associated research and development. As the development of the training and cable networks was substantially complete as at March 31, 1992 and there are no present plans to develop the data network, the balance of reserve for commitments has been allocated to operating equity.

6. COMMITMENTS

a) Productions

At March 31, 1992 the corporation had commitments totalling $253,000 (1991 - $249,000) representing the estimated costs to complete productions in progress.

b) Broadcast and duplication rights

At March 31, 1992 the corporation had commitments totalling $197,000 (1991 - $183,000) for the acquisition of broadcast and duplication rights.

c) Grants to Part III Cable Systems

At March 31, 1992 the corporation had commitments totalling $131,000 (1991 - $172,000) for grants to Part III Cable Systems for the cost of acquiring and installing equipment necessary to carry SCN's signal.

d) Full-time satellite transponder

The corporation has a contract for a full-time Ku-Band satellite transponder. The contract cost for 1991-92 was $1,312,000. The contract is renewed annually with periodic increases in cost for inflation.

e) Head end contract

The corporation has a contract for the operation of SCN's master control, tape duplication, packaging and promotional productions and uplinking. The contract cost for 1991-92 was $596,000. The contract extends to December 31, 1994 with yearly increases in cost for inflation.

f) Multiplexer and uplink contracts

The corporation has contracts for a ten year period ending September, 2000 for multiplexer and uplink services with a minimum annual fee of $129,000.

7. GRANT - GOVERNMENT OF CANADA

The Government of Saskatchewan has an agreement with the Government of Canada whereby the Government of Canada will reimburse SCN for 90 percent of the cost of certain eligible expenditures made by SCN during the years 1988 to 1993. The Government of Canada's total grants under this agreement shall not exceed $18,000,000. As at March 31, 1992 grants earned totalled $16,866,000 (1991 - $9,339,000). The cash payments under the agreement are disbursed over the term of the agreement at the discretion of the Government of Canada. For the year ending March 31, 1993, these cash payments will be limited to $4,550,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED MARCH 31, 1992 AND 1991

8. DEPRECIATION

Included in expenditures for the year is depreciation expense as follows:

	1992	1991
	$	$
Administration	57,300	73,586
Network distribution	354,418	524,173
	411,718	597,759

9. RELATED PARTY TRANSACTIONS

Included in these financial statements are income and expense amounts resulting from routine operating transactions conducted at prevailing market prices with various Saskatchewan Crown-controlled departments, agencies and corporations with which SCN is related. Account balances resulting from these transactions are included in the Balance Sheet and are settled on normal trade terms.